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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

BOB STUMP- Chairman
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH

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AZ CORP COMMISSION
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

JAN 18 2013

DOCKETED BY *JM*

IN THE MATTER OF THE APPLICATION OF
ARIZONA PUBLIC SERVICE COMPANY,
PURSUANT TO ARIZONA REVISED STATUTE
§40-252, FOR AN AMENDMENT OF ARIZONA
CORPORATION COMMISSION DECISION NO.
65997.

DOCKET NO. L-00000D-02-0120-0000

**PROCEDURAL ORDER SETTING
HEARING**

BY THE COMMISSION:

On June 18, 2003, the Arizona Corporation Commission ("Commission") issued Decision No. 65997, approving a Certificate of Environmental Compatibility ("CEC") for Arizona Public Service Company's ("APS" or "Company") North Valley 230kV Facility Siting Project ("CEC 120"). CEC 120, issued in Decision No. 65997, authorized APS to build a double-circuit 230kV transmission line between the Westwing, Raceway and Pinnacle Peak substations and two new 230kV substations – Scatter Wash (formerly Misty Willow) and Avery. The term of CEC 120 is set to expire on June 18, 2013. Condition No. 17 of CEC 120 requires, in the event an extension of the term is required, that APS use reasonable means to directly notify all landowners and residents within a one-half mile radius of the project facilities for which the extension is sought, of the time and place of the proceeding in which the Commission will consider the extension request.

On February 20, 2007, in Decision No. 69343, the Commission authorized a new CEC approving a 500/230kV transmission line between the Morgan and Pinnacle Peak substations ("CEC 131"), which followed nearly the same path as the line for the double-circuit 230kV line approved in Decision No. 65997. CEC 131, issued in Decision No. 69343, ordered APS to file an application to amend CEC 120, in order to make it consistent with CEC 131. The Company filed that application on March 21, 2007, but the application has not been acted upon.

On October 19, 2012, the Company filed a Request for Extension of CEC Term and Application to Amend Arizona Corporation Commission Decision No. 65997 Re CEC 120

1 (“Application”). The Application is intended to supersede APS’s March 21, 2007, filing.

2 On November 8, 2012, at an Open Meeting, the Commission voted to reopen Decision No.
3 65997 pursuant to A.R.S. § 40-252.

4 On November 21, 2012, the Commission’s Utilities Division (“Staff”) issued a Staff Report
5 and Proposed Order Modifying Decision No. 65997.

6 On December 5, 2012, the Company filed Supplemental Information and Comments to Staff’s
7 Proposed Order Modifying Decision No. 65997.

8 On December 31, 2012, the Company filed a Request for Procedural Order to commence an
9 evidentiary hearing on the Application. The Company requested that a procedural conference be
10 scheduled to establish expedited procedures for moving forward with an evidentiary hearing. The
11 Company’s December 31, 2012, filing set forth three specific issues on which it believes evidence
12 should be taken in the evidentiary hearing.

13 By Procedural Order issued January 3, 2013, a procedural conference was scheduled to allow
14 all parties an opportunity to provide input on procedural matters associated with the evidentiary
15 hearing on the Application. The Procedural Order directed parties to be prepared to discuss issues
16 related to notice and timing of the evidentiary hearing on the Application; encouraged the parties to
17 meet and discuss issues related to public notice of the Application prior to the procedural conference;
18 and directed the parties to be prepared to raise any issues related to the scope of the evidentiary
19 hearing on the Application.

20 On January 11, 2013, the procedural conference convened as scheduled. APS and Staff
21 appeared through counsel. No other parties appeared. In regard to notice of the evidentiary hearing,
22 counsel for APS indicated that it has a mailing list comprised of about 570 individuals, landowners
23 and residents located within a one-mile radius¹ of the Scatter Wash Substation, to whom it intends to
24 mail notice of the evidentiary hearing on its Application, in order to comply with Condition 17 of
25 CEC 120. Counsel for APS stated that there are no residents located within a one-mile radius of the
26 planned location for the Avery substation, because that radius encompasses only land owned by the

27 _____
28 ¹ Counsel for APS stated that while the requirement is a one-half mile radius, it intends to provide notice to landowners and residents located within a one-mile radius of the planned location for the Scatter Wash substation.

1 State Land Department. APS proposed that the form of notice included in Exhibit B of its
2 Application, as Attachment 6 to the Affidavit of D. Brad Larson be used to provide notice to the
3 landowners and residents. Counsel for Staff indicated that Staff finds APS's proposal regarding
4 notice to be reasonable.

5 Counsel for APS indicated that it plans to have two witnesses at the hearing, who will adopt
6 the affidavits included in the Application, and will be available to answer any questions. Counsel for
7 Staff indicated that it will call one witness, Ms. Toby Little, who sponsored the Staff Report and
8 Proposed Order filed on November 21, 2012. Given the state of the record, neither party anticipates a
9 need for discovery or for filing testimony.

10 The parties also discussed an appropriate intervention deadline and timing of the hearing.

11 Pursuant to A.A.C. R14-3-101 *et al.*, this Procedural Order is issued setting a hearing on the
12 Application and setting appropriate procedural deadlines.

13 IT IS THEREFORE ORDERED that the **hearing** in the above-captioned matter is hereby
14 scheduled to commence on **February 26, 2013, at 10:00 a.m.**, or as soon thereafter as practicable, at
15 the Commission's offices, 1200 West Washington Street, **Hearing Room No. 1**, Phoenix, Arizona
16 85007.

17 IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105,
18 except that **all motions to intervene must be filed on or before February 8, 2010.**

19 IT IS FURTHER ORDERED that APS shall provide public notice of the evidentiary hearing
20 in this matter, in the following form and style:

21 **PUBLIC NOTICE OF HEARING ON THE APPLICATION OF ARIZONA**
22 **PUBLIC SERVICE COMPANY FOR AN AMENDMENT OF ARIZONA**
23 **CORPORATION COMMISSION DECISION NO. 65997, CONCERNING**
24 **THE CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY FOR**
CASE 120 (NORTH VALLEY 230kV FACILITY)

Docket No. L-00000D-02-0120

25 **Summary**

26 On June 18, 2003, the Arizona Corporation Commission ("Commission") issued Decision No. 65997,
27 approving a Certificate of Environmental Compatibility ("CEC") for Arizona Public Service
28 Company's ("APS") North Valley 230kV Facility Siting Project ("CEC 120"). CEC 120 authorized
APS to build a double-circuit 230kV transmission line between the Westwing, Raceway and Pinnacle

1 Peak substations and two new 230kV substations – Scatter Wash (formerly Misty Willow) and
2 Avery. The term of CEC 120 is set to expire on June 18, 2013.

3 On October 19, 2012, APS filed with the Commission a Request for Extension of CEC Term and
4 Application to Amend Arizona Corporation Commission Decision No. 65997 Re CEC 120
5 (“Application”). The Application requests cancellation of the double circuit 230 kV transmission line
6 between the Raceway, Westwing and Pinnacle Peak substations. APS otherwise requests an
7 extension of the term of CEC 120 until June 18, 2023, and plans to construct the Scatter Wash
8 substation on the north side of the existing electrical corridor and east of the CAP canal (see map).
9 Because of the substation location, APS plans to use a modified structure to interconnect the 230 kV
10 transmission line to the Scatter Wash substation. The Avery substation site is located approximately
11 at Dove Valley Road alignment, ½ mile west of I-17 in Section 15, Township 5 North, Range 2 East.

12 **[INSERT A COPY OF THE MAP AND LEGEND FROM ATTACHMENT 6 TO THE**
13 **AFFIDAVIT OF D. BRAD LARSON IN EXHIBIT B OF THE APPLICATION EITHER**
14 **HERE, OR IN ANOTHER PLACE IN THE NOTICE.]**

15 On November 8, 2012, at an Open Meeting, the Commission voted to reopen Decision No. 65997
16 pursuant to A.R.S. § 40-252. The Commission will hold a hearing on the Application. You are
17 receiving this notice because CEC 120 requires, in the event APS requests an extension of the term,
18 that APS use reasonable means to directly notify all landowners and residents within a one-half mile
19 radius of the project facilities for which the extension is sought, of the time and place of the
20 proceeding in which the Commission will consider the request for extension.

21 On November 21, 2012, the Commission’s Utilities Division (“Staff”) issued a Staff Report and
22 Proposed Order Modifying Decision No. 65997.

23 **How You Can Find Out More**

24 Questions on the project may be directed to Brad Larsen, Senior Siting Consultant, APS
25 Transmission and Facility Siting Department, at 602.493.4338 or by email at brad.larsen@aps.com.
26 The Application, the Staff Report and Proposed Order Modifying Decision No. 65997, and all other
27 documents in the record are available for public inspection during regular business hours at the
28 Commission’s Docket Control Center located at 1200 West Washington, Phoenix, Arizona, 85007,
and on the internet via the Commission’s website (www.azcc.gov) using the e-docket function.

29 **Commission Public Hearing**

30 The Commission will hold a hearing on the Application beginning **February 26, 2013, at 10:00**
31 **a.m.**, at the Commission’s offices, 1200 West Washington Street, Phoenix, Arizona. Public
32 comments will be taken on the first day of the hearing.

33 Interested parties may participate in this matter through (1) filing for intervention and becoming a
34 formal party to the proceeding; or (2) through written or oral public comment. If you do not
35 intervene in this proceeding, you will receive no further notice of the proceedings in this docket.
36 Written public comments may be submitted by mailing a letter referencing **Docket No. L-00000D-**
37 **02-0120-0000** to: Arizona Corporation Commission, Consumer Services Section, 1200 West
38 Washington, Phoenix, AZ 85007. If you require assistance, you may contact the Consumer Services
Section at 602.542.4251 or 1.800.222.7000.

About Intervention

You do not need to intervene if you want to appear at the hearing and provide public comment on the application, or if you want to file written comments in the record of the case.

Any person or entity entitled by law to intervene and having a direct substantial interest in the matter will be permitted to intervene. The granting of intervention entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. **If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission's Docket Control Center no later than February 8, 2013, and send a copy of the motion to APS or its counsel and to all parties of record.**

Contact information for APS and parties of record may be obtained using the Commission's e-Docket Function and **Docket No. L-00000D-02-0120-0000**. Your motion to intervene must contain the following:

1. Your name, address, and telephone number, and the name, address, and telephone number of any party upon whom service of documents is to be made, if not yourself;
2. A short statement of your interest in the proceeding; and
3. A statement certifying that you have mailed a copy of the motion to intervene to APS or its counsel and to all parties of record in the case.

The granting of motions to intervene is governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before February 8, 2013. For a sample intervention request form, go to <http://www.azcc.gov/divisions/utilities/FORMS/interven.pdf>. All parties must comply with Arizona Supreme Court Rules 31 and 38 and A.R.S. § 40-243 with respect to the practice of law.

ADA/Equal Access Information

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator, Shaylin Bernal, email Sbernal@azcc.gov, voice phone number 602-542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

IT IS FURTHER ORDERED that **APS shall mail a copy of the above notice to residents and landowners in accordance with the requirements of CEC 120, issued in Decision No. 65997, by no later than January 25, 2013.**

IT IS FURTHER ORDERED that **APS shall file with the Commission's Docket Control, by no later than February 1, 2013, an affidavit certifying that notice was mailed in accordance with the requirements of CEC 120, issued in Decision No. 65997, and of this Procedural Order.**

IT IS FURTHER ORDERED that notice in accordance with this Procedural Order shall be deemed complete upon the mailing of notice, notwithstanding the failure of an individual landowner or resident to read or receive the notice.

IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 - Unauthorized

Communications) applies to this proceeding as the matter is now set for public hearing.

IT IS FURTHER ORDERED that all parties must comply with Arizona Supreme Court Rules 31 and 38, and A.R.S. § 40-243 with respect to practice of law and admission *pro hac vice*.

IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

DATED this 18th day of January, 2013.


TEENA JIBILIAN
ADMINISTRATIVE LAW JUDGE

Copies of the foregoing mailed/delivered
This 18th day of January, 2013 to:

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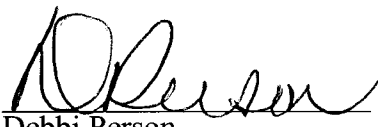
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